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HOUSING MANAGEMENT
TRAINING PROGRAM



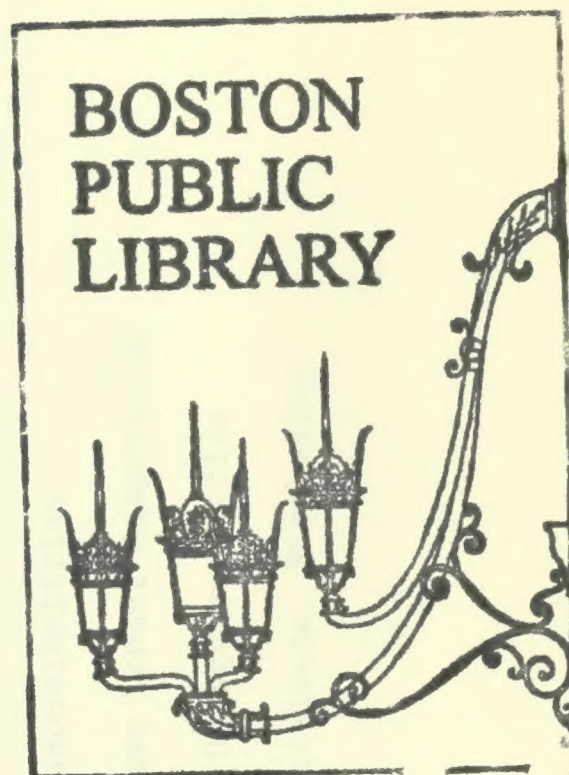
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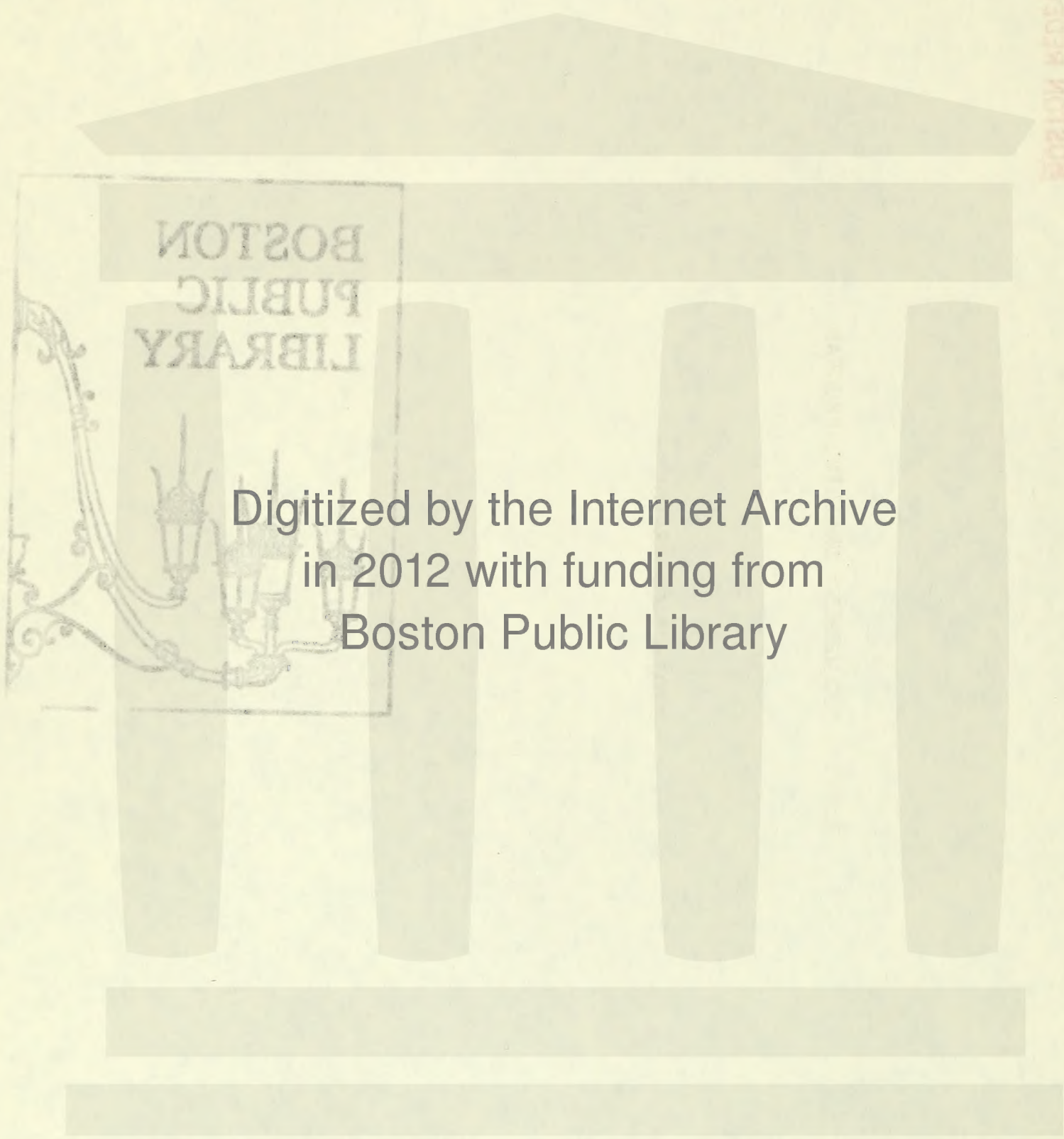
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HOUSING MANAGEMENT TRAINING PROGRAM

PROJECT CD-68-101



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TABLE OF CONTENTS

Authority	i
Contributors	ii
Objective	iii
Content of Course	iv
Method of Presentation	v
Session One: Introduction	1
Session Two: Tenant Selection	9
Session Three: Merchandising and Showing Apartments	19
Session Four: Leasing	36
Session Five: Moving Day	53
Session Six: Management Responsibilities	56
Session Seven: How To Achieve Tenant Cooperation	67
Session Eight: Operating A Management Office	81
Session Nine: Repairs, Maintenance, Purchasing	96
Suggested Bibliography	113

AUTHORITY

These training materials, and the training program given January 5-9 and January 12-16, 1970, have been designed and developed by the Rental Housing Association of the Greater Boston Real Estate Board, in conjunction with and by appointment of the Massachusetts Department of Community Affairs under its Community Development Training Program.

This effort has been made possible by a Grant under Part I of Title VIII of the Housing Act of 1964, from the United States of America, Department of Housing and Urban Development.

This community development and training program has been designated as Project No. CD-68-101.

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OBJECTIVE

The purpose and objective of Project No. CD-68-101 is to design and develop a training program for managers of public and private low and moderate rental housing. The specific content, intensity and design is patterned so as to be of the most benefit to those officials, public and private, charged with the direct responsibility of housing management.

It is intended to improve their understanding and effectiveness as managers and to broaden their field of knowledge as professionals.

It is hoped that by utilization of these materials and through attendance and participation in the course, the needs of tenants and ownership of low and moderate income housing will better be served.

CONTENT OF COURSE

All major categories of standard real estate management practice are included in the course content. Substantial emphasis is programmed for the theory and reasons for policy and modus operandi; yet, great care has been exerted to insure inclusion of substantial practical detail for every-day application of these principles.

Pertinent sociological problems prevalent in low income groups and our society at large are discussed clinically and illustrated by the case history method in order to better understand the tenant and his work. This will include socio-economic and behavioral topics.

Reference material is suggested for supplementary study and research beyond that which the scope of the course permits.

METHOD OF PRESENTATION

The course is designed so as to be most beneficial when given over a two-week (ten-day) period. Some sessions will provide intense inquiry into areas of management led by experienced lecturers and managers from public and private housing. Training aids, current forms, and illustrations will be used. Other sessions are planned for discussion groups, further investigation of subject matter, field trips, with the major emphasis centering around student participation and contribution.

Certificates of completion of the course will be issued to those persons attending the full course. Tests or quizzes may be given at the discretion of the instructor to be used as a measure of progress and a teaching tool, but not as a criteria for successful course completion. Such materials as are needed for seminars and workshop sessions shall be supplied by the course moderator.



SESSION ONE: INTRODUCTION

OBJECTIVE:

To introduce the purpose of the course,
its general format, class procedures,
methods of presentations, group discussions,
workshops, sensitivity training
sessions and course scheduling.

SUGGESTED MATERIALS:

Copy of course syllabus for each participant.

I. ON MANAGEMENT

NOTES

Definition of management and the manager, popular and professional. Management's position as the middleman (owner-tenant). Manager's responsibility as a legal agent. "The manager works for ...

A. The owner of the property

What owner's motives are and how the manager operates to achieve them:

1. Private
2. Public

B. The community or societal purpose

1. The manager's responsibility operating as a non-profit budgetary manager. Efficiency not sacrificed.
2. Differences evident by entity ownership rather than private ownership
 - a. Communication problem

- b. Policy change delays
- c. Complaint discharge
- d. Exterior considerations
 - i. Political
 - ii. Express and implied
 - iii. Tenant groups
 - iv. Tenant expectations
 - v. Citizens and neighbors
- C. Tenant needs
 - 1. Just wants
 - 2. Fair play
 - 3. Legitimate complaints
 - 4. Good service

II. THE COURSE

NOTES

A. Origin of course

1. Department of Community Affairs,
authorizing agent
2. Department of Housing and Urban
Development, funds
3. Rental Housing Association of the
Greater Boston Real Estate Board,
author and moderator

B. Instructors

1. Private - experts
2. Public - experts
3. Related subject - experts

C. Procedure

1. Times: 9:00 - 12:00 noon
1:00 - 4:00 p.m.

2. Format

- a. Morning sessions chiefly lecture - variety of speakers
- b. Afternoon sessions chiefly workshops, sensitivity training and application

3. Primary subjects to be covered

- a. Tenant selection
- b. Merchandising
- c. Leasing
- d. Moving day
- e. Management policies and procedures
- f. Tenant responsibility
- g. Repairs and maintenance

h. Purchasing

i. Sociological aspects of
low and moderate rental
housing

j. Case history illustration

III. PUBLIC AND LOW INCOME HOUSING

A. Definition

1. Public housing

2. FHA 221(d)(3)

3. Housing for the elderly

4. Nursing homes

IV. RESPONSIBILITIES TO OWNER AND TENANT

NOTES

A. Over-all responsibility of carrying out the policy and wishes of owner, public or private

1. Profit motive
2. Budget considerations
3. Maintaining stability and durability

B. Responsibility to the tenant

1. Providing service
2. Protecting rights
 - a. Privacy
 - b. Quiet enjoyment
 - c. Articulation
 - d. Individual dignity

C. The manager considers himself

NOTES

1. Professionalism
2. Advancement
3. Increased responsibility and authority
4. Service of mankind
5. Challenging vocation

SESSION TWO: TENANT SELECTION

OBJECTIVE:

To explore the factors involved in proper tenant selection, ranging from initial inquiry to tenant placement or apartment unit assignment, keeping in mind that it is the tenant who is the sole reason for the existence of the housing at all, and the influences, direct and indirect, which will affect the nature and character of that tenancy.

SUGGESTED MATERIALS:

Rental Housing Association Application Form
Boston Housing Authority Application Form
Discrimination Act of 1868
Fair Housing Act of 1965

I. PROSPECTIVE TENANTS AND INQUIRIES

NOTES

A. Determine type of tenant desired (Idealize, then compromise)

1. Income description - set minimum acceptable, if applicable
2. Family size
3. Rental habits - pays on time
 - a. Importance
 - b. Value as indicator of attitude
4. Prior tenancy record
 - a. What information available
 - b. How to evaluate and sift fact
 - c. Questions to ask prior landlord
 - d. Care of premises
 - e. Term of tenancy, stability pattern

B. Determine what it is you will be acquiring tenants for

NOTES

1. Know your apartments

a. Room count and style

b. Amenities of tenancy

c. Location

2. Know your apartment relativity

a. How do you compare

i. Rent

ii. Amenities

iii. Location

C. Determine information you will ask prospective tenant in order to satisfy your purposes

NOTES

1. Strategy of question-asking

- a. Make at ease
- b. Indirect questions that do not give but indicate information indirectly
- c. Direct questions
- d. Provide adequate time - no rush

D. Plan strategy of which information is necessary to you at each stage of tenant interest

- 1. Initial inquiry
- 2. Formal application
- 3. Secondary investigation
- 4. Moving plans

E. The interview

1. Be professional
 - a. Be organized
 - b. Take charge
 - c. Execute your plan
 - d. Close promptly and conclusively

F. The records

1. Record facts, date, name, statistics
2. Record commitments made by you
3. Make notes, recommendations, impressions part of permanent record
4. Distribute duplicate records as your procedure requires
5. File - quick access system for you and your associates

G. Leave applicant with next step

NOTES

II. THE APPLICATION FORM

Example: Rental Housing Association and Boston
Housing Authority forms

A. Purpose of the application form

1. Information
2. Determine firm interest by applicant
3. Applicant often committed upon signing
(see RHA application above signature)
4. Future uses by management
 - a. Determine whereabouts
 - b. Next of kin
 - c. Legal proceedings, attachments
 - d. Secondary investigation

B. Completion instructions

NOTES

1. Explain reasons for application
2. Show physically areas to be completed
3. Allow ample time
4. Review before terminating interview

C. Review application forms inserted in this lesson plan

III. ELIBIGILITY, INCOME

A. Verification

1. Income
2. Employment
3. Family size
4. Prior tenancy
5. Reason for prior tenancy termination

B. Acceptability

NOTES

1. Are our standards met
2. Is timing compatible for move-in/
move-out

IV. INVESTIGATION

A. Financial institutions - generally by mail

B. Credit agencies

1. Independent - review credentials of
several

2. Rental housing associations

3. Prior landlord

C. Charge accounts

D. Credit references offered on application



V. COMPATABILITY

NOTES

A. Character of prospective tenant

1. Age
 2. Family composition
 3. Pets
 4. Modus operandi
- B. Placement of tenant types for compatability,
if possible
1. Quiet enjoyment
 2. Complementary neighbors
 3. Tenant preferences
 4. Preference of existing tenants

VI. DISCRIMINATION

NOTES

A. Discrimination Act of 1868

B. Fair Housing Act of 1965

SESSION THREE: MERCHANDISING AND SHOWING APARTMENTS

OBJECTIVE:

To instruct a manager in the correct procedures of advertising, showing and renting apartments in the best and most professional manner possible.

SUGGESTED MATERIALS:

Assorted newspaper ads illustrating good and bad ads

A checklist for manager's use to personally inspect apartment before showing to first prospect

A checklist form for manager's use to explain rules and procedures covering moving day, trash collections, parking areas, snow removal, etc.

I. PRICING THE APARTMENTS

NOTES

A. Government Control

1. Income limits

B. Physical variations

C. Features

D. Advantages

1. List and evaluate for showing and presentation

E. Disadvantages

1. List and evaluate for showing and presentation
2. Explain clearly
3. "Tell the Truth" attractively



F. Return on investment

NOTES

1. The profit motive
2. The budget motive
3. The break-even motive

G. Competition

II. PROSPECTS

A. Private

1. Waiting lists
2. Neighborhood canvass
3. Church and civic groups
 - a. Soliciting cooperation
 - b. Presentations to

4. Moving and storage companies

NOTES

5. Institutions

6. Industrial companies

B. Public

1. Neighborhood community action (anti-poverty) agency offices and personnel

2. Present tenants

3. Health, social and welfare agencies

4. Public agencies displacing people (redevelopment authorities, condemnation)

5. Elected public officials

III. ADVERTISING SOURCES
(Pertinent to private housing)

NOTES

A. Newspapers

1. Local
2. Regional
3. Which paper to use
 - a. Determinants
 - b. Circulation
4. Special rates
 - a. Bulk
 - b. Format
5. Quality
 - a. Ad character
 - b. Format

6. Quantity

a. Size

b. Content

7. White space

a. "The sizzle to attract the
steak-eater"

8. Display ads

a. Mass attack

b. Image building

9. Features

a. Major subjects

b. Minor subjects

10. Points of interest
 - a. Aims at special interest buyers
11. Community interest or human interest news stories
12. Carelessness
 - a. Sloppy arrangement
 - b. Read proofs carefully
 - c. Is all important information included
13. Records
14. Results
 - a. Evaluate response
 - b. Determine corrective improvement

B. Signs - on property

NOTES

C. Billboards

1. Public

2. Private

D. Magazines

1. Local

2. Trade

E. Radio and television - when applicable

F. Bulletin boards

G. Direct mail

H. Word-of-mouth

NOTES

I. Brochures, floor plans, etc.

1. Include all information, including room size

IV. UNDERSTANDING PEOPLE

A. What people will do

1. Predict tenant reaction
2. Prepare response

B. What people will not do

1. Don't suggest trouble topics
(Example: neighbors)

C. Motivation

1. Supply reasons why apartment is appealing to applicant

D. "Yes-but" method

NOTES

1. Explain positive aspects of disadvantages
(Example: small windows-greater privacy,
not bad light)

E. Criticism

1. Accept bona fide criticisms

F. Favoritism

G. Logic vs. emotion

1. Recall and reiterate advantages for
this tenant
2. Re-examine unique features of apartment

H. Compliments

1. Praise keen eye of applicant
2. Praise applicant's appreciation of
quality features

I. Impressions

NOTES

1. From guide - make tour narrative flexible to applicant's interests
2. From applicant - solicit comments and dissatisfaction
 - a. Reply, respond, explain, agree, whichever is called for

V. TELEPHONE TECHNIQUES

A. Smile

1. Prepare your attitude
2. Project enthusiasm

B. Making the call

1. Plan format
2. Follow format

C. Receiving the call

NOTES

1. Politeness

- a. For pleasant response
- b. For unpleasant response

2. Interruptions

- a. To telephone for further contact
- b. Directions to showing apartment

3. Noise levels

- a. Background interference
- b. Voice tone

VI. SELLING PROCESS

A. Enthusiasm

B. Aggressiveness

C. Overstatement of facts - never

D. Courtesy - always

E. Psychology

VII. INSPECTING AND SHOWING THE APARTMENT

NOTES

A. Checklist

1. Cover all physical features

B. Condition

1. Determine
2. Plan necessary renovation
3. Note necessary repairs

C. Cleanliness

1. Schedule cleaning prior to showing
2. Remove trash and debris
3. Dust

D. Lighting

NOTES

1. In good repair
2. Available for after-dark showing

E. Furnishings

1. Remove
2. Repair
3. Replace if necessary

F. Dimensions

1. Physical measurements
 - a. For tenant's planning
 - b. For scheduled repairs and renovations

VIII. CLOSING METHODS

NOTES

- A. Accent the positive
- B. Talking too much - the art of listening
- C. Ask for signatures
- D. Forgotten item technique

IX. FAILURES

- A. Lack of property knowledge - poor preparation
- B. Lack of customer knowledge - bad initial qualifications and interview
- C. Overstating - misrepresentation

D. Under-rating

NOTES

1. Demeaning
2. Pointing out weaknesses in apartment

E. Rushing

1. Give customer breathing time

F. Accepting dismissal without a fight

1. The gracious exit

G. Rudeness

H. Ignorance of problem

SESSION FOUR: LEASING

OBJECTIVE:

To explain the basic concepts of the leasing agreement to property managers and prospective property managers in order that they may better understand the landlord/tenant relationship and the rights and obligations thereto, and thus make the real estate property manager better equipped to carry out his management functions. Responsibilities are assumed by all parties to the lease contract. It is the purpose of these individual obligations and their interdependent relationship that we will observe.

SUGGESTED MATERIALS:

Rental Housing Association Lease Form
Boston Housing Authority Lease Form

I. THE LEASE: WHAT IS IT?

NOTES

A. Estate in land

B. Possessory interest as distinguished from license

1. Mere license to use space is not lease. Example: laundry area or concessions
2. Contractual - lease or tenancy can't arise from trespass
3. Lodging houses - common law, occupants, licensees
 - a. Statute: G. L. Chap. 186, sec. 17. Three consecutive months are tenants-at-will

C. Consideration - money or kind

1. Leasing agreement must have consideration, usually rent

D. Distinguished from tenancy-at-will

NOTES

1. Writing

2. Termination

a. For breach

b. Mutual - surrender and
acceptance

E. Contract - contains covenants and agreements

1. Independent covenants

2. Dependent covenants

F. Term of lease

1. Automatic renewals

2. Notice

G. Parties to lease

NOTES

1. Who may be landlord - agents
2. Minors
3. Guarantors and sureties
4. Discrimination as to race, creed, etc.

II. ILLEGAL PROVISIONS AND PROHIBITED USES

- A. Covenants prohibiting children
(G. L. Chap. 186, sec. 16)
- B. Exoneration of landlord from negligence
(G. L. Chap. 186, sec. 15)
- C. Illegal gaming, sale of alcoholic beverages,
prostitution
 1. Creates legal nuisance
(G. L. Chap. 139)

2. Landlord may elect to terminate
lease

3. Duty of landlord to evict or be
guilty himself

D. Provisions waiving tenant's rights under
municipal or state codes - not void per
se, but may be if specified in ordinance

III. LANDLORD'S OBLIGATIONS

A. Covenant of quiet enjoyment

B. Maintenance and repairs

1. Sanitary code and municipal codes

a. Conflict with lease

b. Financial responsibility
by contract

2. Gratuitous repairs

3. Common areas

C. Services as part of rental

NOTES

1. Heat, light, elevator, etc. - anything not specifically agreed but area custom

- a. See also G. L. Chap. 186, sec. 14, re willful failure by landlord to supply foregoing items. Criminal penalty.

- b. Cannot shut off light, heat, etc., if tenant fails to pay rent

IV. TENANT'S OBLIGATIONS

A. Use premises in tenant-like manner

1. For lawful purposes only
2. Generally purpose specified to exclusion of other purposes

B. Not to commit waste

C. Cleanliness

NOTES

1. Waste and rubbish disposal

2. Insects

D. Rent payments

1. Late charges and penalties
(G. L. Chap. 186, sec. 15B)

2. When rent is payable - end of
month, absent contract

3. Landlord has no lien for rent except innkeeper, hotel or lodging
house manager

E. Abide by safety and other rules for the
building promulgated from time to time

F. Pets

- G. Allow access to landlord to inspect, make repairs
 - 1. Absent provision in lease; landlord has no right to enter during term (now see G. L. Chap. 186, sec. 15B)
 - 2. State sanitary code provides tenant must give landlord access to correct violations
- H. Occupancy - limited to named lessees only
 - 1. Number of occupants may be limited by local zoning
- I. Yield-up at expiration of term
 - 1. Very important. Hold-over tenants liable for all loss caused by holding over.

V. ASSIGNMENT AND SUB-LETTING

NOTES

A. O.K. unless prohibited by lease covenants

B. Status of tenant and sub-tenant

1. Both liable for rent. Covenant to pay rent runs with the land
2. Other covenants in lease are personal and sub-tenant not bound unless he specifically assumed all tenant's obligations in the lease

C. Liability of landlord

1. Liable to tenant for breach of lease

VI. SECURITY DEPOSITS

NOTES

A. Security for performance of obligations of lease

1. Not prepaid rent

2. Amount of deposit

B. Refunding - no interest possible

1. No other rent owed

2. Prompt inspection for damages

3. Tenant has vacated - where to send check

C. Keep tenant advised

NOTES

1. Let tenant know before
he moves that you intend
to refund promptly if all
is okay - tenant will be
more cooperative

2. Return of keys

A. Suit for breach

1. Landlord can sue each month as payments are due

B. Eviction

1. On breach of covenants, landlord can give proper notice as provided in lease to terminate lease. Can then follow up with court action to get order evicting tenant

- a. In Massachusetts, landlord cannot enter premises for this purpose or lock out the tenant without court order (G. L. Chap. 186, sec. 15B)

b. Proper notice to terminate

- i. State reason or reasons
- ii. Indicate clearly the effective termination date

iii. Serve it, in hand, to tenant or adult family member; or by certified mail; constable or sheriff, best method.

2. On termination, right to sue for balance of rent under lease is lost. Some tenants invite termination for this reason

a. Indemnity provision of lease. Tenant responsibility for all damages to end of term or till premises re-let, whichever occurs first

3. Caution! Accepting rent after giving eviction notice may waive the notice. If rent accepted, immediately reserve all rights by written letter.

VIII. REMEDIES OF TENANT

A. Rent deductions - no

1. Covenant to pay rent is independent. No right to offset rent for inconveniences, etc.

B. Statutory rent withholding
(G. L. Chap. 239, sec. 8A)

NOTES

1. Violations of sanitary code
2. Tenant gives notice of intent to withhold
3. Notice from public authority as to violation may be deemed to be notice from tenant (Chap. 355, Acts 1969)

C. Rent receivership
(G. L. Chap. 111, sec. 127A-K)

1. Tenants affected can petition court to appoint receiver to collect rents and run building. Pay rents into court. Landlord restrained from evicting, etc.

D. Stay of judgment

1. Where tenancy is terminated without fault of tenant, court may grant discretionary stay for hardship. In Massachusetts, presently the courts may give up to six months.

E. "Constructive Eviction"

NOTES

1. Dangerous for tenant, difficult to prove. Usually adjudicated only in cases of no heat for several days during winter. Must have serious deprivation by landlord of the use and enjoyment of premises.

2. Tenant must move out of premises

IX. RETALIATIONS

- A. Prohibited in Massachusetts
(G. L. Chap. 186, sec. 18)

- B. Civil damage suit for three months' rent

- C. No eviction if retaliatory

- D. Under Massachusetts statute, if tenant has made complaint to health authority within six months of notice to quit, presumption of retaliation

E. Absent statutes, only District of Columbia (lower court) has held retaliations to be illegal and against public policy (Edwards vs. Habib, 397 F.2 687, 1968)

NOTES

X. EXECUTION OF LEASE

A. Representative capacity

1. Agent should designate he is agent for landlord. Otherwise might not bind landlord and may be personally liable.

B. Authority of agent

1. Varies - but agent should not make promises not contained in lease, which he has no authority to make

C. Signature of tenants

1. Best to have all tenants signing be present at same time
2. Landlord or agent should see them sign if possible

3. Suspected minor - check identification if you have doubts

4. Guarantor's signature. Have him present

5. Initial changes in printed forms

D. Occupancy

1. Until leases are complete with all signatures, and you are satisfied as to genuineness, do not allow tenant to occupy premises

E. Alterations

1. Do not add or detract from lease after tenants sign

F. Delivery

1. Give tenant a signed copy of lease as soon as possible. Without delivery, a lease may not be effective and you may have only a tenant at will.

SESSION FIVE: MOVING DAY

OBJECTIVE:

To illustrate the importance of proper scheduling and orientation of the new tenant on his moving day.

SUGGESTED MATERIALS:

Letter to tenant - scheduling move-in date
Tenant form - receipt for keys, lease, etc.
Tenant form - "Welcome" letter
Tenant form - General information sheet

I. SCHEDULE MOVE-INS

NOTES

Make definite appointments so as not to congest elevator.

II. CLEAN APARTMENT

Make sure apartment is ready, clean, for scheduled move-in day.

III. PRE-MOVE-IN CHECK

The manager should personally inspect the apartment to insure it is ready.

IV. KEY CONTROL

Do not release keys to the apartment until you are ready to have the family take occupancy of the apartment. (Once you release keys, you release the apartment.)

V. RECEIPT OF KEYS

NOTES

Make sure you receive receipt for keys given to tenant. Also make sure you give keys to person who signed lease or authorized representative.

VI. INSPECTION OF APARTMENT WITH NEW TENANT

When keys are released, manager should escort tenant to new apartment as a form of welcome. Manager should note, in presence of tenant, any shortcomings in the apartment and make note of the items. (This precludes later claims by tenant that paint was bad, mirror missing, etc.)

Manager should also stress correct way to lock apartment (double bolt at all times) for security reasons.

Manager should give tenant "welcome" letter and "Information Sheet."

VII. TENANT VISIT

Manager should drop in to the apartment first evening, if possible, or soon thereafter, to see if everything is all right. Invaluable for showing the manager "cares" and tenant is appreciative of attention.

SESSION SIX: MANAGEMENT RESPONSIBILITIES

OBJECTIVE:

To illustrate and discuss the administrative responsibilities assumed by management as a result of its exercise of authority. Some of these are express, some implied, some direct, and some indirect. By opinion and expectation, tenants often impute leadership roles to management. The purpose of this session is to define some of these responsibilities and to evaluate them.

SUGGESTED MATERIALS:

Zoning codes
Municipal ordinances
Building, wiring, plumbing codes
Board of Health directives
Tenant council by-laws
Tenant action case histories

I. TENANT RELATIONS

NOTES

A. Causes of bad relationship

1. Misunderstanding
2. Poor fielding of complaints
3. Overlooking tenant rights
4. Maintenance policies
5. Etc.

B. Basis of good relationships

1. Review of policy
 - a. House rules
 - b. Rent collection
 - c. Maintenance

d. Complaint procedure

e. Service requests

f. Etc.

C. Promoting respect

1. Initiate improvement programs

a. Care of premises

b. Encourage community activity
and participation

c. Push "pride of occupancy"

2. Solicit tenant opinion

a. Be seen

b. Inspect and consult

3. Encourage positive attitudes among

- a. Staff
- b. Work force
- c. Tenant leaders

C. Roles of the manager imputed by tenant expectations

- 1. Judge and jury
- 2. Arbitrator
- 3. Welfare consultant
- 4. Political representative
- 5. Scapegoat
- 6. Law and order

NOTES

II. TENANT COUNCILS

NOTES

A. Organization and description

1. Purposes
2. Creation
3. Operating procedures
4. Action demands
5. Participants

B. Trends

1. Group representation
2. Collective bargaining
3. Rent strikers
4. Publicity pressure
5. Political pressure
6. Professional leadership and counsel

C. Avoid, appease, or work with
tenant groups?

NOTES

1. The cooperative approach by
management

2. The supportive approach by
management

3. The non-cooperative approach
by management

4. What to do as the storm
approaches

III. NEIGHBORHOOD RELATIONS

A. Keep informed on neighborhood activities
and trends

B. Play your part in the common effort of
community living and approach

1. Trash

2. Snow

3. Landscaping

4. Parking

5. Lighting

C. Set the pace for mutual benefit

1. Best-effort maintenance

2. Appearance - compatability

3. Conforming usage - code

D. Neighborhood improvement associations

1. Participation by management

NOTES

IV. MUNICIPAL CODES AND ORDINANCES

NOTES

A. Types of written codes

1. Zoning
2. Building, wiring, plumbing
3. Fire

B. Intent of codes and ordinances

1. Safety
2. Durability
3. Serviceability
4. Inspections
5. Implications of negligence

C. Building, repairs and maintenance

NOTES

1. Familiarize yourself
2. Insist on licensed tradesmen
3. Bonded performance
4. Inspections
5. Implications of negligence

D. Lines of communication: purpose and use

1. Fire department
2. Police department
3. Public health department
4. Building department

V. UPDATING MANAGEMENT TOOLS

NOTES

A. Determine your scope of effectiveness

B. Determine weak points of operation

C. Isolate inefficiencies

D. Define corrective measures

E. Education of staff

1. Real estate boards

a. Contacts in industry

b. Research source

c. Bulletins, instructional materials

2. Institute of Real Estate Management

NOTES

a. National information exchange

b. Mark of professionalism

c. Journals

d. Experience exchange reports

3. Seminars, workshops and study groups

SESSION SEVEN: HOW TO ACHIEVE TENANT COOPERATION

OBJECTIVE:

To examine the relationship between the manager and residents. The subjects that the relationship and communication are about are those covered in other sections of the project.

A resident must be aware of the responsibilities assumed when he is part of a housing-group society. He must pay rent, get ride of trash, clean his home, respect the neighbors.

In order that such routines are understood, and, in order to avoid misunderstanding, the rules and procedures of a building must be clearly communicated and clearly understood by both manager and resident.

This session concerns itself with how the manager and tenant can achieve maximum cooperation.

I. COMMUNICATIONS

A. Definition

B. Explanation

1. Two-way process

2. Clarity

3. Acquaintance of parties

C. Attitude

1. Receptive atmosphere

2. Availability of manager
and agents

3. Procedures for emergencies
and routine matters

4. Cordiality vs. "buddy system"

D. Standard Communications

NOTES

1. Written - posted
2. Notice of investigations -
before and after
3. Routine policy communications
by subordinates

E. Listening

1. Places to listen - privacy
2. Patience (often best solution
to problem)
3. Be concerned
4. Sift facts, evaluate problem

F. Talking

NOTES

1. Dictatorship vs. management
2. Review facts before speaking
3. Firmness, aggression, domination
4. Patience, clarity, judgment

G. Written communications with tenants

1. Notices
 - a. Not used for trivia
 - b. Purpose clear and brief
 - c. Timely delivery

2. Distribution

- a. Generally to all concerned simultaneously
- b. Policy changes to all persons affected
- c. Insure delivery established

H. Communications with management organization

1. Establish and promulgate lines of authority
2. Job descriptions: hours, wages, duties, prohibitions, use of manual
3. Work order slip system
4. Work review and comment
5. Encouragement, praise, correction

I. Knowledge a tool of communication

1. Keeping informed
2. Anticipating encounters

II. HOUSE RULES

A. Composition

1. Format
2. Language

B. Subject matter

1. General application
2. Sanitary instructions
3. Emergencies
4. Where to get information
5. Description of ownership

III. RENT COLLECTION

NOTES

A. General rent procedure

1. When told to tenant
2. How to pay
3. Penalties for non-payment
4. Where to pay

B. Billing system

1. Purpose of billing
2. Duplicates and receipts
3. Partial systems - reminder billings

C. Cash payments

NOTES

1. Handling of cash
2. Receipts - importance
3. Security
4. Depositing procedures
5. Partial payments
6. Check cashing

D. Slow payments

1. Reminders - 5-10 days
2. Firm requests, eviction suggestions
3. Polite insistence
4. Fourteen-day notice

E. Collection leniency

NOTES

1. Subsistence, welfare checks
2. Illness, calamity
3. Late-payer vs. deadbeat
4. Hazards of arrearage

IV. TENANT REQUESTS

A. Availability of management

1. Emergencies
2. Routine

B. Complaint vs. requests

C. Promises with flexibility

D. Fair and equal attention to all tenants

E. Follow through on repairs

F. Memos for tenant and maintenance records

V. DISTURBANCES

A. Evaluating complaints

1. Source evaluation
2. Substance evaluation

B. Type of disturbance

1. Noise
2. Physical damage
3. Water
4. Fire

C. Response

1. Investigation
2. Police department
3. Fire department
4. Notification to other tenants
5. Evacuation

D. Records

1. For repeated disturbance
2. For tenant evaluation
 - a. Are repeated complaints justified
 - b. Nuisance tenants

c. Over-reacting from other tenants

d. Anticipating trouble agitators

VI. INSPECTIONS AND DAMAGES

A. Regular inspections

1. Preventive maintenance
2. Checking tenant use and damage
3. Public relations and management image

B. Observing normal wear and 'tear

Paint shades, woodwork, floors, refrigerators, stove, door handles, etc.

C. Determining damage

NOTES

1. Holes in walls, excessive dirt, and grime, cracked or broken windows, nails, paint, unreported damage to equipment

D. Resident response to inspection

1. Refusal to admit - how to handle
2. Denial of cause or knowledge of damage
3. Re-affirm damage reporting procedure
4. Referral to initial apartment inspection for determination of damage

E. Assessing tenant for damage

1. Deduction from security deposit
2. Estimates

NOTES

3. Standard charges or actual
4. Official notice and explanation -
written
5. Billing damages and rent to
create arrearage threat

SESSION EIGHT: OPERATING A MANAGEMENT OFFICE

OBJECTIVE:

To examine the internal functioning of the management office and its operation.

SUGGESTED MATERIALS:

Record forms
Statement forms
Reporting forms
Work orders
Employment questionnaires
Employee records
Cost analysis sheets
Cross reference file

I. SELECTING A SITE

NOTES

A. Convenience to tenants

B. Prominent visibility for strangers

C. Close to service areas

D. Space requirements

1. Size of staff
2. Anticipated traffic volume

E. Decor

1. Make attractive but not
gaudy

II. PERSONNEL

NOTES

A. General manager - last word -
responsible

B. Receptionist - telephone operator

1. Most contact with outside -
image builders

C. Bookkeeper

1. Need for detail extreme

D. Hours

1. Regular
2. Evenings/Saturdays

III. EQUIPMENT

NOTES

- A. Basic office equipment
Desks, typewriter, files, adding machine

- B. Phones, inventory

- C. Reception/waiting room

IV. STAFFING

- A. Sources

- 1. Parent organization
- 2. Employment agency
- 3. Direct advertising

B. Procedures

1. Who hires whom
2. Test and performance ratings
3. Applications and investigations

C. Duties

1. Job descriptions
2. Chain of command
3. Collateral responsibilities

V. RECORDS - multi-facet business

A. Variety of functions

1. Public relations
2. Collection agency

3. Rental agency
 4. Construction company
 5. Cleaning and maintenance company
- /
- B. Accurate records must be kept
- C. Constant updating required
1. Relative to apartment unit
Listing - size - location - equipment -
history of repairs - replacement and
servicing - rental charges included
with rent - services available for
extra charges - condition of rental
unit - reference of similarity with
other units of size and location
 2. Relative to tenant
History of credit - compatability with
neighbors - housekeeping abilities in
previous rental situations - present
occupancy history - present credit
standing - size of family - parking on
location - number, type of complaints
made - frequency of delinquencies -
methods of communications used to reach
tenant - copies of all communications
sent and received

3. Relative to the project

NOTES

a. Land cost

i. Purchase of land

ii. Title insurance

iii. Preparation for construction

b. Building cost

i. Cost of completed structures - material, labor, architect, fees, etc.

ii. Cost of construction loans, commissions, etc.

iii. Carrying cost of land and building up to time of completing IC. R. E. taxes, insurance, assessments, advertising, mortgage payments to completion, etc.

c. Furniture costs

i. Lobby

ii. Office

iii. Apartments

VI. METHODS OF KEEPING RECORDS (ACCOUNTING)

A. Apartment unit income

1. Ledger - maintain separate account for each apartment unit
2. Keep record within ledger of all costs which are chargeable to each apartment
3. Record rental due and date due - length of lease and date of termination
4. Record any and all notices, special billings made, dates of payments and manner in which claims were satisfied

5. Record date units became vacant

6. Record previous tenant's name
continuity

B. Filing system set up in apartment number
sequence

1. Keep copies and all references
to tenants in file

2. When new tenant takes over, separate section of apartment file should be set up to contain all information relative to that particular file

3. Keep report on condition of apartment prior to tenancy

4. Keep copy of lease

5. Sign-out sheet for file removal

C. Index by alphabetical sequence of
tenant - reference to apartment
unit occupied

NOTES

1. If more than one occupant with
different name, a separate file
reference should be made

D. Time of expiration of lease

1. File should be maintained to
enable timely notices for re-
write. Should contain name,
apartment number and basic lease
information, and if filed by date,
the later expiration following
the earlier.

E. Rental Receipts

1. Record and deposit as soon as
possible
2. Amount of deposit is total receipts
or income for month

F. Total building expenditures

1. Accuracy of bills must be verified
2. Charge to correct type of expense
3. Use numerical code to simplify and speed record-keeping
4. Always try to pay bills to benefit from discounts

VII. MONTHLY SUMMARY

- A. Need to assemble information for over-all look at operation
- B. Income summary contains
 1. Losses due to vacancies
 2. Amounts collected for security deposits

NOTES

3. Payments made for other than rent
4. Payments made in advance
5. List of tenants unpaid at end of month (arrears)
6. Statement of petty cash
7. Statement of bank deposits
8. Statement of vacancies - to rate loss
 - a. Number of vacancies at beginning of period
 - b. Number of vacancies at end of period
 - c. Number of new tenants during month
 - d. New vacancies during month

NOTES

- e. Total rental days of all units during month (No. days of month x no. units)
- f. Total rental days vacant during month
- g. % of vacancies during month (f. divided by e.)

C. Expense summary contains

- 1. Check number
- 2. Date paid
- 3. Vendor
- 4. Account charged
- 5. Amount billed
- 6. Amount discount
- 7. Net paid
- 8. Total all expenses

D. Operation statement

NOTES

1. Monthly, quarterly, annual
2. Summary of income statement and expense summary
3. Shows profit or loss of operation
4. Enables management to budget and control operations

VIII. COMPUTER OPERATIONS

A. Need must be determined

1. Speed
2. Cross analysis
3. Billing
4. Payroll
5. Statements

B. Sources

NOTES

1. Computer manufacturers

2. System analysts

3. Management consulting firms

4. Public accountants

C. Cost - relative to use and savings

1. Ownership

2. Rental

3. Time share

SESSION NINE: REPAIRS, MAINTENANCE, PURCHASING

OBJECTIVE:

General preservation of the bricks, mortar and boards of real estate is an area where responsible management must give continuing attention. Tenant needs, property values and neighborhood considerations dictate such. This session will present categories of repairs and maintenance, review materials and supplies and explore budgeting, scheduling and purchasing.

SUGGESTED MATERIALS:

Maintenance forms
Inspection reports
Purchasing records and forms
Check lists
Specification and instruction sheets
Repair orders

I. HOUSEKEEPING, JANITORIAL

NOTES

A. Work force types

1. Live-in janitor
2. Regular maintenance staff
3. Contract

B. Choosing type of work force

1. Policy of owners toward cleaning
2. Contracting
 - a. Determine reliability
 - b. Written contract
 - c. Work clearly specified
 - d. Continual check-up
 - e. Liability and bonding

3. Regular staff

NOTES

- a. Supervision and assignments
 - b. Supervisors for large staffs
 - c. Scheduling must include even small items
4. Live-in superintendents
- a. Selection - married preferred
 - b. Regular work schedules
 - c. Periodic work items
 - d. Special projects - may involve stipend

C. Daily work schedule

1. Hallways, brasswork
2. Trash procedure
3. Walkways
4. Immediate attention to accident messes, etc.

D. Weekly work schedule

1. Amplification of daily schedules
2. More thorough cleaning
3. Mopping
4. Vacuuming - carpets - cleaning and scheduling
5. Back halls

6. Stair wells

7. Glass surfaces

8. Unused areas: cellars, storage

9. Exterior

F. Work considerations

1. Within scope of workman

a. Time

b. Compensation

c. Knowledge

F. Supplies and tools

1. Cleaning - mops, rags, soap, polish,
etc.

NOTES

2. Storage - properly stored, maintained, etc.
3. Inventory control
4. Equipment - vacuum cleaners, mop pails, lawn mowers, power tools; inventory and replacement schedule
5. Exterior maintenance
 - a. Lawns, shrubbery, ivy, flowers, etc.
 - b. Snow - walks, steps, parking areas. Icicles, use of salt, sand, jeep plows and contract plowing, contract landscaping
 - c. Exterior lighting

G. Plumbing

1. Heavy maintenance item - age of property
2. Use of licensed workmen

3. Plumbing contractor on call

NOTES

4. Minor and major repair policy

5. Plumbing abuse by tenant vs.
normal wear and tear

6. Preventive maintenance

a. Regular inspections for
unreported items

b. Periodic check for running
water - cost of leaky faucets

c. Preventive compounds - drain
cleaners

7. Supplies - inventory vs. buying
from plumber on job - itemized
bills

8. Instruction sheets for minor items

a. Ballcocks, faucet washers,
use of snakes, plunger traps
and cleanouts

H. Electrical

NOTES

1. Printed information on circuits, fuse locations, safety procedures, artificial respiration. Procedure for locating trouble spots
2. Fusestats, circuit breakers, fuses, overfusing
3. Responsibility for fuse replacement
4. Public hall lighting
 - a. Adequacy
 - b. Hours and maintenance
 - c. Seldom-used areas
5. Electrical contractor on call
 - a. Overseeing work
 - b. Reviewing bills

I. Appliances - refrigerators, stoves, air-
conditioners, disposals

NOTES

1. Warranty coverage
2. Instruction for tenant use to
avoid abuse
3. Programming replacement - consider-
ations
4. Inventory and instructions to main-
tenance staff for minor repairs and
replacement of parts

J. Rubbish

1. Responsibilities of janitors
 - a. Schedule
2. Trash contractors - container types
3. Incinerators
 - a. Use and maintenance
 - b. Instructions to tenants

4. Cleanliness

NOTES

- a. Disinfectants, sprays, limes
- b. Extermination schedule
- c. Rats and mice
 - i. Preventive measures
 - ii. Extermination procedures
- d. Professional exterminators
 - i. Regular schedule or on call
 - ii. Guarantees
 - iii. Types
- e. Tenant education
- f. Public health resources for service and information

1. Legal requirements - minimum standards

2. Types of heating systems

3. Oil

a. #2

b. #5

c. #6

4. Boilers

a. Cast iron

b. Brick chambers

c. Forced systems

d. Gravity systems

e. Reinglemann chart

5. Heating and air-conditioning
system combinations
6. Radiation
 - a. Convectors
 - b. Open piping
 - c. Fin pipe
 - d. Cast iron - baseboard,
radiators
 - e. Evaluation
7. Heating controls
 - a. Individual, hall, outside
automatic
 - b. Zones, relays, electronic
panels
8. Boiler insurance

L. Elevators

NOTES

1. Maintenance responsibilities
 - a. Malfunction reports
 - b. Contractual maintenance
 2. Codes, annual tests and inspections
 3. Safety devices, locked shafts, door openers
 4. Posted instructions for use
- M. Fire - sprinklers
1. Wet and dry - how they work - starting and stopping
 2. Alarms - to sprinklers, independent
 3. Avoiding liability while system is shut down

4. Types of alarm systems

5. Fire alarm procedures for tenants

6. Fire extinguishers, hose stations, types

7. Fire escapes

N. Roofs

1. Types - advantages, disadvantages

2. Maintenance and repair considerations

O. Brickwork

1. Pointing

2. Caulking

3. Isolation of drains and downspouts

P. Carpentry and small repairs

NOTES

1. Small jobs - usually janitor
 2. Moderate-to-large jobs, maintenance crew or contract
0. Decorating
1. Painting
 - a. Types of paints, uses and considerations
 - b. Application, tools
 - c. Scheduling: initial occupancy - periodic
 2. Paper
 - a. Grades and quality
 - b. Paper vs. paint
 - c. Surface preparation
 - d. Anti-pest paste

3. Decorating while tenant in occupancy

NOTES

a. Scheduling

b. Liability - damage, theft, etc.

c. Do-it-yourself tenants

II. PREVENTIVE MAINTENANCE SCHEDULING

A. Scheduling

B. Materials supply

C. Cost considerations

D. Practicality

E. Public relations factor

III. ECONOMIC FEASIBILITY OF REPAIRS

NOTES

- A. Determination of immediacy vs. postponement
- B. Repair vs. replacement
- C. Partial vs. thorough
- D. Income and budget factor

IV. PURCHASING

- A. Control
- B. Choosing suppliers and "keeping them honest"
- C. Quality control
- D. Responsibilities toward vendors
- E. Inventory control and replacement
- F. Stock rooms, storage, access

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